

COMMONWEALTH OF MASSACHUSETTS

DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

Petition of Dig Safe System, Inc. For Implementation of 811
as the Abbreviated Dialing Code for Providing Notification of
Excavation Activities to Underground Facility Operators
within Massachusetts

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D.T.E. 05-82

**DIG SAFE SYSTEM, INC.'S
REPORT REGARDING IMPLEMENTATION OF 811**

Dig Safe System, Inc. ("Dig Safe") files this Report pursuant to the April 28, 2006 Procedural Notice issued by the Department of Telecommunications and Energy (the "Department").

Factual Background

On April 28, 2006, the Department held a technical conference and determined that briefing was premature in this matter.

On April 28, 2006, the Department issued a Procedural Notice (the "Notice") following the technical conference. The Notice provides as follows:

the Department requires all telecommunications carriers to discuss and coordinate 811 implementation efforts with Dig Safe System, Inc. ("Dig Safe"). Telecommunications carriers, including wireline, wireless, and payphone providers must contact Dig Safe no later than Friday, June 2, 2006. . .

The Department also requires Dig Safe to report to the Department by Monday, July 10, 2006 as to the status of its discussions with carriers. In its report, Dig Safe shall identify any issues or disputes regarding implementation of 811, including but not limited to cost recovery, which require Department resolution.

Dig Safe hereby submits this Report in accordance with the Notice.

Correspondence with Dig Safe

Between April 28, 2006 and June 2, 2006, Dig Safe was contacted by numerous telecommunications carriers regarding their efforts and other issues relating to the implementation of 811. Specifically, Dig Safe was contacted by the following carriers:

1-800 Reconex	Lightyear Network Solutions
American Payphone Services	National Grid Wireless
American Telecom	Neon Communications
AT&T	Network Communications
Bell South Long Distance, Inc.	International
Broadwing Communications	Operator Service Company
Choice One	Optimum Global Communications
Choice One Communications	Payphone, LLC
Churchill Public Communications	Powernet Global Communications
Cingular Wireless	RCN Corporation
Comtex Systems	Regal Auto Parties, Inc.
Conversent Communications	Sprint/Nextel
Cooperative Communications, Inc.	Swift River Telecom
Cordia Corporation	Ton Communications
Ernest Communications	US Lec Communications
Fibertech Network	Verizon New England, Inc.
Global Tel Link Corporation	Verizon Wireless
Granby Telephone	Windstar Communication
Infone LLC	XO Communications
Inmate Calling Solutions	Yipes Enterprise Services

No telecommunications carriers informed Dig Safe that additional time beyond the June 2, 2006 deadline would be necessary to raise any issues relating to 811.

The telecommunications carriers contacting Dig Safe have almost universally indicated that they foresee no issues or concerns regarding the implementation of 811. In fact, a number of carriers have informed Dig Safe that they have already implemented 811 and are currently in compliance with the Federal Communications Commission's April 13, 2005 Final Rule 47 CFR Part 52 (the "FCC Order"). Moreover, no telecommunications

carriers have notified Dig Safe of any technical issues that might stand in the way of meeting the April 13, 2007 deadline for implementation of 811, as required by the FCC Order.

As described below, Verizon New England, Inc. (“Verizon”) is the only telecommunications carrier to raise any issue or objection with respect to the 811 implementation.

Issues or Disputes Regarding Implementation of 811

Although Verizon has not raised any technical concerns regarding the implementation of 811, it has demanded that Dig Safe make certain payments in connection with this implementation. Verizon is the only telecommunications carrier to seek to recover any costs associated with the 811 implementation.

Following the April 26, 2006 technical conference, at Verizon’s request, Dig Safe’s Executive Director, Robert Finelli began communicating with a Verizon Sales Account Manager about the issue of cost. Since May 2006, Verizon’s Sales representative has provided Dig Safe with several versions of a spreadsheet titled “Dig Safe Budgetary Pricing” which provides pricing information relating to Verizon’s 811 implementation in all five New England states in which Dig Safe operates (Massachusetts, Vermont, New Hampshire, Maine and Rhode Island).

On May 19, 2006, Verizon told Dig Safe that it would charge a one-time “Service Initiation” fee of \$1,500 for all five New England states and proposed a \$500/per Central Office fee. Verizon’s initial calculation stated that there were 378 Central Offices in Massachusetts, so the total “Switch Programming Fee” was \$189,000. In addition, Verizon informed Dig Safe that it would impose an MRC, or “Monthly Recurring Cost”, of between

\$50 and \$80 for the first 20,000 calls. Verizon has not informed Dig Safe what the “Monthly Recurring Cost” would be if the number of calls received during one month exceeds 20,000.

In response, on May 22, 2006, Mr. Finelli requested that Verizon explain the basis for its calculation so that Dig Safe could better understand the basis of Verizon’s pricing proposal. Verizon has never offered Dig Safe an explanation of the various charges and fees that it has proposed to Dig Safe.

On May 24, 2006, Verizon changed its pricing proposal. First, it claimed that the one-time “Service Initiation” fee of \$1,500, which initially was applied to all five New England states in which Dig Safe operates, must now be applied and paid separately for each state. Second, without any explanation, Verizon changed the number of Central Offices in Massachusetts from 378 to 174.

On May 26, 2006, Verizon again modified its pricing proposal regarding the implementation of 811. This time, Verizon reduced the “Switch Programming Fee per Central Office” from \$500 to \$200. Therefore, the total “Switch Programming Fee” for Massachusetts now amounts to \$36,300 under Verizon’s proposal. The May 26, 2006 “Dig Safe Budgetary Pricing” spreadsheet also states that “The number of Central offices as well as the \$200 fee is subject to change.” (A copy of Verizon’s May 26, 2006 “Dig Safe Budgetary Pricing” spreadsheet is attached as Exhibit A).

Additionally, Verizon has informed Dig Safe that it will require additional time before it can make its pricing proposal final.

Dig Safe’s Position

As a preliminary matter, Dig Safe believes that the FCC Order requires telecommunications carriers such as Verizon to absorb any costs related to the nationwide

implementation of 811, and that the FCC Order does not provide for cost recovery from Dig Safe. Indeed, since Verizon is alone in raising the issue of cost recovery, the other telecommunications carriers operating in Massachusetts apparently agree with Dig Safe's position. Further, Dig Safe does not believe that Verizon's attempted cost recovery is consistent with the goals of public safety and damage prevention upon which the FCC Order and Dig Safe are based.

Ultimately, Dig Safe cannot adequately respond to Verizon's position without a firm cost calculation and a detailed explanation of its proposal. Verizon has failed to explain the basis for any aspect of its pricing proposal and has informed Dig Safe that its entire proposal is subject to change. Dig Safe has raised these concerns with Verizon, but it has not provided Dig Safe with any meaningful response.

Prayer for Relief

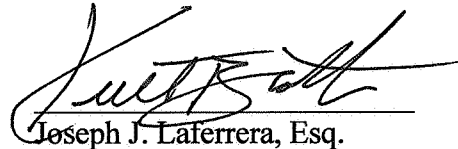
Dig Safe requests that the Department take the following action:

1. The telecommunications carriers that would be affected by the 811 implementation in Massachusetts have had notice and an opportunity to raise any issues or concerns. Thus, the Department should preclude any carriers operating in Massachusetts that have, to date, failed to raise any issues related to the implementation of 811, including but not limited to technical concerns or cost recovery, from raising any such matters or objections in connection with this proceeding, unless the issue(s) was unforeseeable as of June 2, 2006.
2. Since it appears to be the only unresolved issue in this proceeding, Dig Safe requests that the Department allow Verizon New England, Inc. and Dig Safe additional time to discuss and attempt to address the matter of Verizon's costs associated with the implementation of 811.

Respectfully Submitted,

DIG SAFE SYSTEM, INC.

By its attorneys,

A handwritten signature in black ink, appearing to read "Kurt Bratten", written over a horizontal line.

Joseph J. Laferrera, Esq.

Kurt E. Bratten, Esq.

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Date: June 9, 2006

EXHIBIT A

DIG SAFE N11 Project

NRC

Switch Programming Fee/per Central Office*	State # of Central Offices				
\$200	MA	174			
\$200	ME	140	\$34,800.00	Service Initiation \$1,500.00	Total NRC/State \$36,300.00
\$200	RI	30	\$28,000.00	\$1,500.00	\$29,500.00
\$200	VT	85	\$6,000.00	\$1,500.00	\$7,500.00
\$200	NH	26	\$17,000.00	\$1,500.00	\$18,500.00
			\$5,200.00	\$1,500.00	\$6,700.00

MRC

Estimated to be between \$50-\$80

*This quote is for budgetary puposes only. The number of Central offices as well as the \$200 fee is subject to change.